

JPA FIRST SALE PROFIT PAYMENT RENT**Parcel M - Grand Avenue****Related California*******EXAMPLE CALCULATION FOR ILLUSTRATIVE PURPOSES ONLY*****

Stabilized Year of Disposition	Year 10	Year 15	Year 20
Projected Net Operating Income	\$12,294,009	\$17,057,476	\$23,505,515
Exit Capitalization Rate	5.00%	5.00%	5.00%
Gross Sale Proceeds	\$245,880,187	\$341,149,525	\$470,110,297
Less: Closing Costs	2.00%	2.00%	2.00%
Net Sale Proceeds	\$240,962,583	\$334,326,535	\$460,708,091
Less: Senior Debt	(95,430,217)	(95,430,217)	(95,430,217)
Less: CRA/LA Loan Accrued Interest	(2,296,325)	(3,185,224)	(4,074,124)
Cash Flow from Disposition	\$143,236,041	\$235,711,093	\$361,203,749

20% IRR Threshold Calculation			
Construction Period	26 months	26 months	26 months
Absorption Period	9 months	9 months	9 months
Operating Period to Disposition	120 months	180 months	240 months
Total Holding Period	155 months	215 months	275 months
Total Holding Period	13 years	18 years	23 years
Investor Equity at Close of Financing	\$20,430,217	\$20,430,217	\$20,430,217
20% IRR Threshold Balance at Disposition*	\$119,223,727	\$220,666,562	\$432,660,811

First Sale Profit Payment Rent			
Cash Flow from Disposition	\$143,236,041	\$235,711,093	\$361,203,749
Less: Deferred Developer Fee	0	0	0
Less: Operating Deficit Loans	0	0	0
Less: 20% IRR Threshold Balance at Disposition*	(119,223,727)	(220,666,562)	(432,660,811)
Less: Return of Leasehold Acquisition Fee	(5,220,000)	(5,220,000)	(5,220,000)
Excess Profits	\$18,792,314	\$9,824,531	(\$76,677,062)
Related/STRS Ohio	50.0%	\$9,396,157	\$4,912,265
Joint Powers Authority	50.0%	\$9,396,157	\$4,912,265
			\$0
			\$0

* Considers cash flow received by Investor between Close of Financing and Disposition.